



*Office of the United States Attorney  
District of Arizona*

FOR IMMEDIATE RELEASE  
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For Information Contact Public Affairs  
SANDY RAYNOR  
Telephone: (602) 514-7625  
Cell: (602) 525-2681

## **FOUNTAIN HILLS MAN SENTENCED TO OVER 10 YEARS IN PRISON FOR FRAUD AGAINST ELDERLY**

PHOENIX – Robert Roy Dillie, 50, of Fountain Hills, Ariz., was sentenced here to 121 months in prison by U.S. District Judge David G. Campbell after pleading guilty to Wire Fraud and Money Laundering.

Dillie formed Mid-America Foundation through which he sold charitable gift annuities to the elderly and falsely represented to investors that they would receive annuity payments for life. He also misled them that, upon their death, a portion of their investment would pass to a charity of their choice.

Instead of investing the funds, Dillie used investor dollars to pay other investors, also known as a Ponzi scheme. He diverted \$19 million of the \$52 million raised from investors to an account he controlled. Dillie used this money to underwrite a high-life style, gambling away \$10 million at casinos in Las Vegas. He also spent \$595,000 toward the purchase of a \$1.5 million house and bought a Mercedes-Benz. Loss to investors totaled approximately \$44 million.

The investigation was conducted by the Criminal Division of the Internal Revenue Service and the U.S. Postal Inspection Service. Sentencing occurred in federal court on March 13, 2006. The prosecution was handled by Stephen W. Laramore, Assistant U.S. Attorney, District of Arizona.

CASE NUMBER: CR-03-115-PHX  
RELEASE NUMBER: 2006-041(Dillie)

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